

V. J. ELMORE

5c 10c & 1.00 STORES, INC.
BIRMINGHAM, ALA.

Founded 1925

Annual Report
Jan. 28, 1956



Emore

FOR MORE VALUE

PRESIDENT'S LETTER

To The Stockholders

March 20, 1956

It is my privilege to submit this report of the Company's thirtieth year of operation to you the owners of the Company, to our many business friends, and to those who comprise the personnel of our Company.

This has been a successful year of operation. Economic conditions have been favorable but the results achieved can be attributed largely to proper merchandising; the alert and coordinated store operations under efficient supervision; and the improvement and maintenance of our physical assets.

The balance sheet statement as at January 28, 1956, and a statement of profit and loss for the fiscal year ending that date are included in the report. Reference to the profit and loss statement discloses sales of \$8,311,724 reflecting an increase of \$1,081,385 over the preceding year. This represents the highest dollar sales volume for any year in the history of the Company. On the next page there is set forth a chart relative to sales dollars and how these dollars were used. This should prove interesting and informative.

Net profit for the year was \$426,037. Dividends were paid in keeping with sound business policy and to permit a reasonable retention of funds for expansion through acquisition of additional stores, improvement of existing stores and to provide a margin in case of reverses.

There are now sixty-five stores in operation. The West Point, Georgia, store mentioned at our 1955 stockholders' meeting is now in operation. An additional unit has also been acquired by purchase of an operating store at Cullman, Alabama.

The policy of modernizing and improving our existing stores is being continued. This is essential to the maintenance of efficient service to our customers and to the fortification of our competitive position. There are several remodeling jobs in process and others contemplated. This is in addition to our routine maintenance operations. It is the intention to take advantage of opportunities for expansion in the way of additional stores where suitable locations can be obtained and funds are available in keeping with the policy of our Company.

The installation of air conditioning and the conversions of stores to check-out or self-service units can be regarded as a major factor in store improvement. The conversions of stores to check-out units was mentioned at our annual meeting last year. There are now nine stores so operating and these operations have proven satisfactory. This represents a departure from the conventional type set-up of our stores, and, as such, prompted a conservative approach to the adoption of check-out systems of operation. With the favorable experience, however, and a study of like operations of stores similar to ours, we now feel justified in proceeding with additional conversions. With respect to air-conditioning, progress is being made; those stores more in need of such equipment being given preference.

I again wish to make grateful acknowledgment to the personnel of our organization for their loyalty and efficient service. It is pleasing to note the high standard of performance on the part of this personnel and the adherence of executives to policies conducive to progress with safety of operation. I wish to thank the Directors and Stockholders for their counsel.

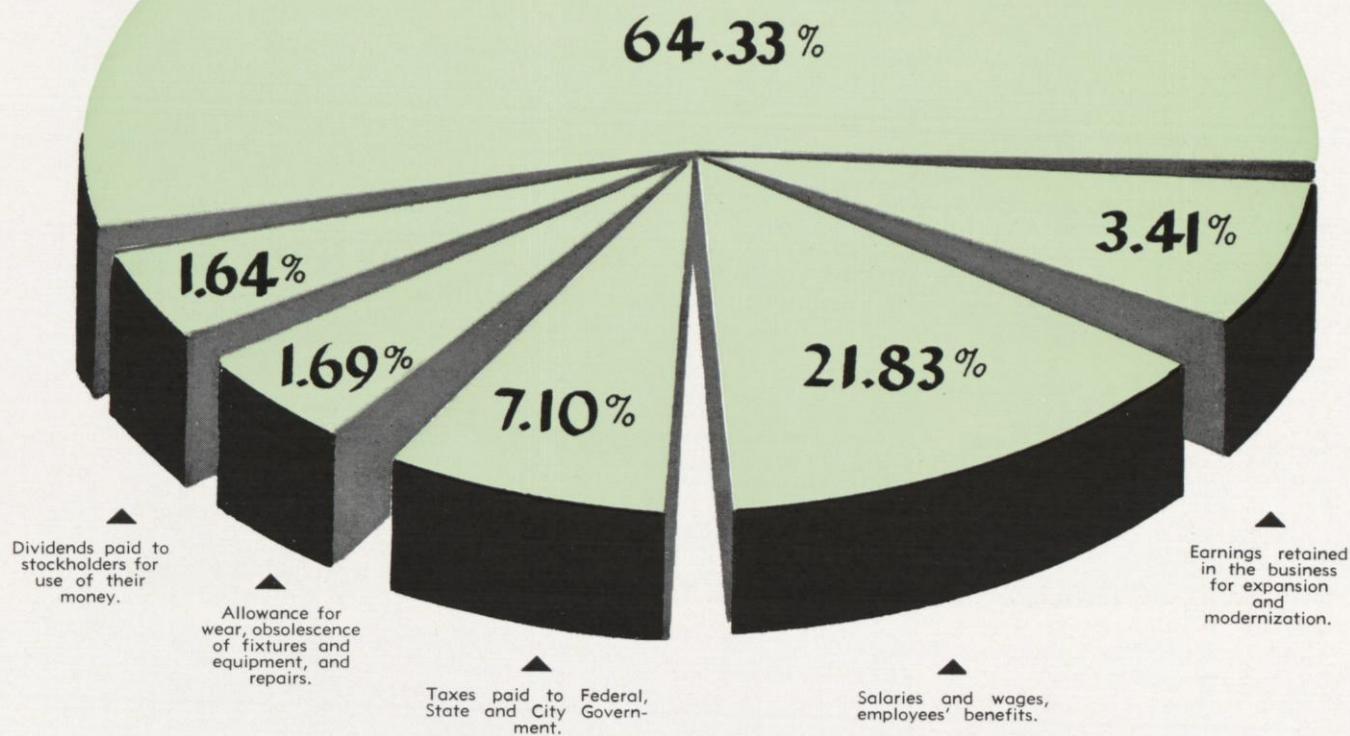
With best wishes to each of you, this report is respectfully submitted.

Mrs. V. J. Elmore

President

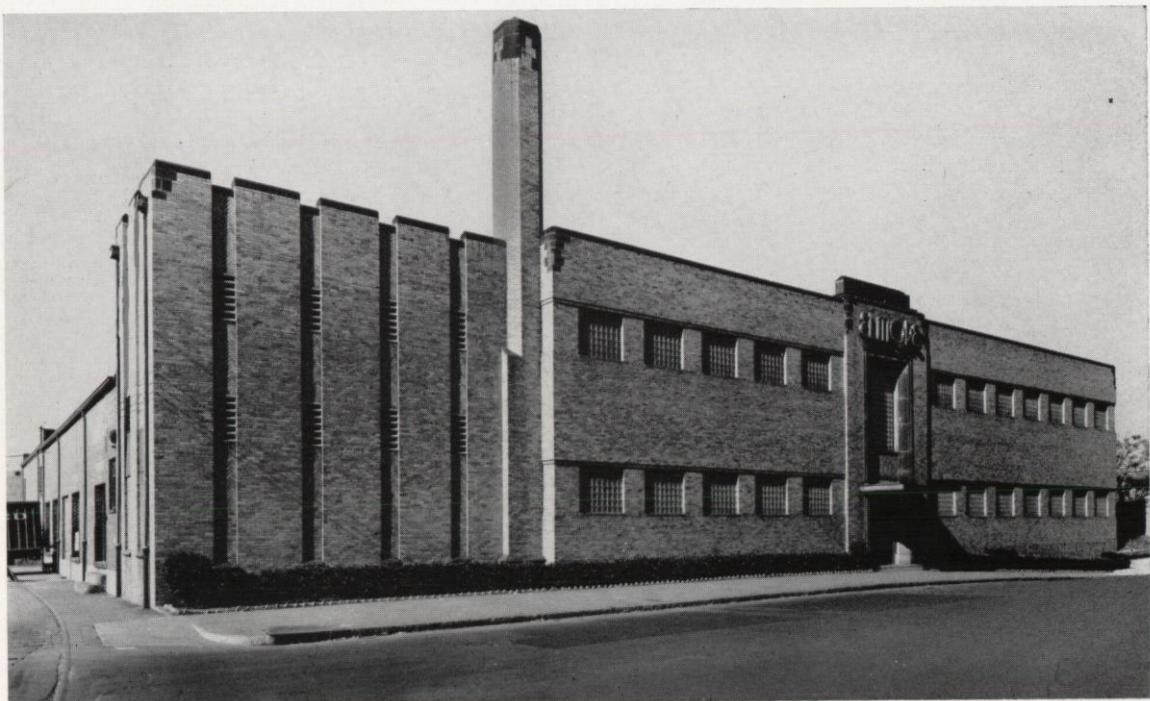
HOW OUR SALES DOLLARS WERE USED IN 1955

COST OF GOODS SOLD AND EXPENSES



HOME OFFICE & WAREHOUSE

**10 SOUTH FOURTEENTH STREET
BIRMINGHAM, ALABAMA**



Our home office building was completed on March 1, 1941, and with subsequent additions now contains 36,000 square feet of warehouse space on the ground floor. Executive and buying offices are located on the second floor with suites of offices arranged for each department. The entire office area is equipped with year-round air conditioning and fluorescent lighting.

ACCOUNTANTS-AUDITORS
MANAGEMENT SERVICES

ERNST & ERNST

1300 FIRST NATIONAL BLDG.
BIRMINGHAM 3, ALA.

OFFICES IN PRINCIPAL CITIES
ASSOCIATES IN FOREIGN COUNTRIES

Board of Directors
V. J. Elmore 5c, 10c and \$1.00 Stores, Inc.
Birmingham, Alabama

We have examined the financial statements of V. J. Elmore 5c, 10c and \$1.00 Stores, Inc., for the fiscal year ended January 28, 1956. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and related statements of income and surplus present fairly the financial position of V. J. Elmore 5c, 10c and \$1.00 Stores, Inc., at January 28, 1956, and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

March 12, 1956

Ernst & Ernst

*Assets***January 28, 1956**

	January 28, 1956	January 29, 1955
CURRENT ASSETS		
Cash	\$1,088,890	\$ 823,072
United States Government securities—at cost plus interest accrued	\$ 499,386	\$ 700,602
Less federal and state taxes on income—estimated	442,733	387,000
Trade accounts receivable	—0—	1,640
Merchandise inventories:		
At stores—at cost as determined by the retail inventory method	\$1,252,917	\$1,136,243
In warehouse—at lower of cost (first-in, first-out basis) or market	358,841	349,563
In transit—at cost	53,994	1,665,752
Prepaid expenses	102,974	55,819
TOTAL CURRENT ASSETS	\$2,914,269	\$2,693,382
INVESTMENTS AND OTHER ASSETS		
Marketable securities held in escrow at January 29, 1955—at cost plus interest accrued	\$ 44,108	\$ 44,108
Other securities—at cost plus interest accrued	9,627	9,327
Cash surrender value of life insurance	6,985	6,546
Sundry accounts receivable	559	61,279
LAND, BUILDINGS, AND EQUIPMENT —at cost less allowances for depreciation and amortization		
Land	\$ 19,354	\$ 18,000
Office and warehouse building and paving	\$ 194,004	\$ 194,004
Store building	10,800	—0—
Fixtures and equipment	710,168	562,959
Automobiles and trucks	64,466	59,789
Improvements to leaseholds	143,938	119,735
	\$1,123,376	\$ 936,487
Less allowances for depreciation and amortization	437,918	344,464
	\$ 685,458	\$ 592,023
	704,812	610,023
	\$3,680,360	\$3,365,374

BALANCE SHEETS

Liabilities

and January 29, 1955

	January 28, 1956	January 29, 1955
CURRENT LIABILITIES		
Accounts payable and accrued expenses:		
Trade accounts	\$ 177,407	\$ 212,673
Salaries and bonuses	97,859	46,231
Pay roll taxes and taxes withheld from pay rolls	16,592	15,546
Sales and retailers excise taxes	22,246	14,364
	\$ 314,104	\$ 288,814
Federal and state taxes on income—estimated	\$ 442,733	\$ 387,000
Less United States Government securities	442,733	387,000
	-0-	-0-
TOTAL CURRENT LIABILITIES	\$ 314,104	\$ 288,814
CAPITAL STOCK AND SURPLUS		
Capital stock:		
First preferred stock, par value \$100 a share (entitled to \$100 a share plus accumulated dividends upon liquidation):		
Authorized 3,683 1/2 shares, issued and outstanding:		
830 shares of 7% cumulative	\$ 83,000	\$ 83,000
2,806 1/4 shares of 5% cumulative	280,625	280,625
	<u>\$ 363,625</u>	<u>\$ 363,625</u>
Common stock, Class "B"—no par value, stated value \$16 2/3 a share, dividends of \$1 a year cumulative, preferred over other common stock only as to dividends:		
Authorized, issued and outstanding		
6,000 shares	100,000	100,000
Common stock, Class "A"—no par value, stated value \$16 2/3 a share:		
Authorized, issued and outstanding		
2,500 shares	41,667	41,667
	<u>\$ 505,292</u>	<u>\$ 505,292</u>
Capital surplus	16,235	16,235
Earned surplus	2,844,729	3,366,256
	<u>\$3,680,360</u>	<u>\$3,365,374</u>

STATEMENTS OF PROFIT AND LOSS

Years Ended January 28, 1956
and January 29, 1955

	Fiscal Year Ended Jan. 28, 1956	Fiscal Year Ended Jan. 29, 1955	Increase Decrease*
Net sales.....	\$ 8,311,724	\$ 7,230,339	\$ 1,081,385
Cost of goods sold.....	5,197,199	4,523,630	673,569
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Selling and administrative expenses.....	\$ 3,114,525	\$ 2,706,709	\$ 407,816
	2,349,207	2,073,221	275,986
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Other income.....	\$ 765,318	\$ 633,488	\$ 131,830
	129,730	105,364	24,366
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Other deductions.....	\$ 895,048	\$ 738,852	\$ 156,196
	1,154	403	751
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INCOME BEFORE TAXES ON INCOME	\$ 893,894	\$ 738,449	\$ 155,445
Taxes on income:			
Provision for the year—estimated:			
Federal normal income tax and surtax.....	\$ 454,500	\$ 374,200	\$ 80,300
State income taxes.....	15,500	12,800	2,700
Overprovision for prior years.....	2,143*	1,460*	683*
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TOTAL TAXES ON INCOME	\$ 467,857	\$ 385,540	\$ 82,317
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NET INCOME	\$ 426,037	\$ 352,909	\$ 73,128
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Provision for depreciation and amortization included above:

1956—\$107,375; 1955—\$86,177.

* Indicates red figures.

STATEMENTS OF SURPLUS

Years Ended January 28, 1956
and January 29, 1955

	Fiscal Year Ended Jan. 28, 1956	Fiscal Year Ended Jan. 29, 1955	Increase Decrease*
CAPITAL SURPLUS			
Balance at beginning and end of year (no change during the year).....	\$ 16,235	\$ 16,235	\$ -0-
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EARNED SURPLUS			
Balance at beginning of year.....	\$ 2,555,033	\$ 2,338,545	\$ 216,488
Add net income for the year.....	426,037	352,909	73,128
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Deduct:			
Cash dividends paid:			
On 7% preferred stock (\$7 a share).....	\$ 5,810	\$ 5,810	\$ -0-
On 5% preferred stock (\$5 a share).....	14,031	14,031	-0-
On Class "A" common stock (\$25 a share).....	62,500	62,500	-0-
On Class "B" common stock (\$9 a share).....	54,000	54,000	-0-
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Excess of cost of 47 1/4 shares of 5% cumulative preferred stock acquired over par value thereof.....	\$ 136,341	\$ 136,341	\$ -0-
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Balance at end of year	\$ 2,844,729	\$ 2,555,033	\$ 289,696
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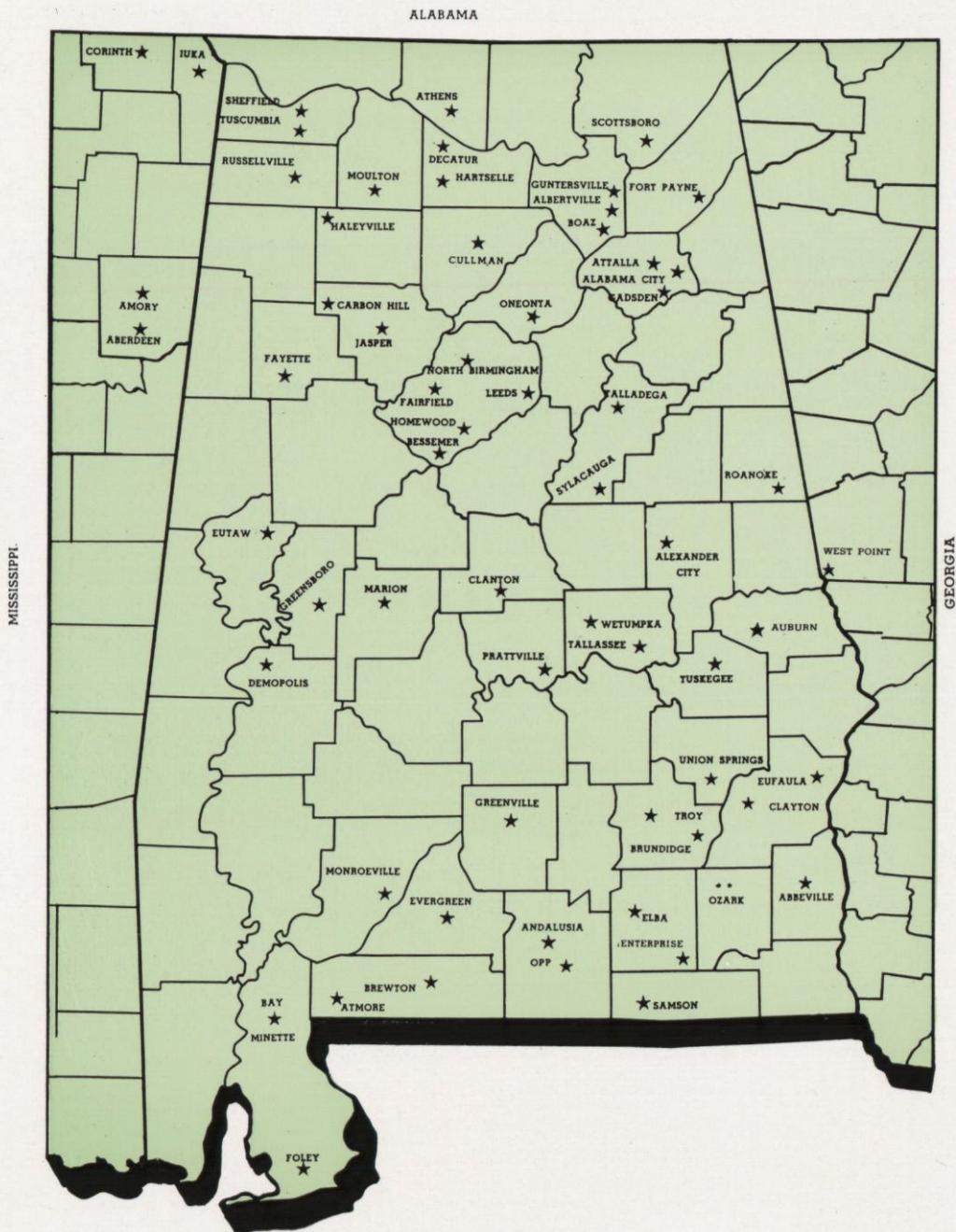
* Indicates red figures.

SALES 1926-1955

Year	Stores At Year End	Sales
1955	65	\$8,311,724
1954	63	\$7,230,339
1953	62	\$7,482,684
1952	61	\$7,246,459
1951	61	\$7,445,561
1950	59	\$6,286,093
1949	56	\$5,406,258
1948	52	\$5,357,138
1947	51	\$4,495,263
1946	50	\$4,439,249
1945	49	\$3,788,035
1944	46	\$3,468,410
1943	46	\$3,512,583
1942	44	\$2,739,960
1941	43	\$2,198,361
1940	36	\$1,499,683
1939	31	\$1,411,496
1938	31	\$1,241,258
1937	29	\$1,095,639
1936	24	\$1,010,756
1935	20	\$659,350
1934	13	\$478,953
1933	9	\$297,601
1932	6	\$175,100
1931	5	\$155,548
1930	5	\$149,669
1929	5	\$140,976
1928	3	\$84,436
1927	2	\$57,881
1926	1	\$32,794

LOCATION OF V. J. ELMORE STORES

**ALABAMA
GEORGIA
MISSISSIPPI**



V. J. ELMORE

Stores and Managers

For January 28, 1956

Date Opened	Town	Manager	Date Opened	Town	Manager
1925	Clanton, Ala.	J. C. Parr	1940	Monroeville, Ala.	J. F. Wade
1927	Jasper, Ala.	G. R. Dunlap	1940	Birmingham, Ala.	J. D. Cleere
1928	Wetumpka, Ala.	R. M. Martin	1940	Aberdeen, Miss.	J. M. Logan
1929	Haleyville, Ala.	J. D. Northcutt	1940	Amory, Miss.	J. O. Ferrell
1929	Russellville, Ala.	O. O. Fowler	1941	Guntersville, Ala.	George McCluney
1932	Alexander City, Ala.	J. W. Plyler	1941	Eutaw, Ala.	Leon Davis
1932	Hartselle, Ala.	J. T. Rinehart	1941	Tuscumbia, Ala.	Mrs. Eunice Wilkerson
1932	Athens, Ala.	M. L. Ward	1941	Sylacauga, Ala.	Jasper T. King
1933	Andalusia, Ala.	J. C. Macon	1941	Scottsboro, Ala.	L. B. Wallace
1934	Tuskegee, Ala.	William Murner, Jr.	1941	Fayette, Ala.	James P. Boyles
1934	Marion, Ala.	Monroe Franklin White	1941	Decatur, Ala.	F. I. Manker
1934	Demopolis, Ala.	J. E. Pullen	1942	Fairfield, Ala.	R. H. Wilks
1934	Greenville, Ala.	J. T. King	1943	Ozark, Ala.	Willie Morrow
1935	Union Springs, Ala.	Xemon Hill	1943	Ozark, Ala.	John H. Glaze
1935	Samson, Ala.	Wesley Bowen	1943	Abbeville, Ala.	Miss Frances Head
1935	Prattville, Ala.	Cecil Cook	1945	Attalla, Ala.	Newell LaFayette
1935	Troy, Ala.	H. R. Hutson	1945	Carbon Hill, Ala.	Mrs. Edith Rutledge
1935	Eufaula, Ala.	J. D. Estes	1945	Iuka, Miss.	Harvey Brom
1935	Atmore, Ala.	F. B. Littleton	1946	Tallassee, Ala.	W. G. Baggett
1935	Bay Minette, Ala.	J. F. Rain	1947	Homewood, Ala.	H. S. Hayne
1936	Brundidge, Ala.	Mrs. Elizabeth F. Carter	1948	Moulton, Ala.	J. H. Reynolds
1936	Clayton, Ala.	Jiles H. Spears	1949	Enterprise, Ala.	K. P. Morris
1936	Evergreen, Ala.	J. S. Livengood	1949	Foley, Ala.	Cranston Teague
1936	Brewton, Ala.	C. O. McAllister	1950	Leeds, Ala.	Billy Barefield
1937	Albertville, Ala.	J. D. Henry	1950	Gadsden, Ala.	C. W. Hackett
1937	Oneonta, Ala.	O. M. Partain	1950	Elba, Ala.	Willard Green
1937	Greensboro, Ala.	William C. Essary	1950	Bessemer, Ala.	Marlin Brom
1937	Boaz, Ala.	W. H. Dixon	1951	Sheffield, Ala.	O. G. Hargett
1937	Opp, Ala.	Woodie L. Speaks	1951	Corinth, Miss.	Orian E. Floyd
1938	Fort Payne, Ala.	G. R. Rinehart, Jr.	1953	Roanoke, Ala.	Harold D. Mason
1938	Alabama City, Ala.	H. P. Collins	1954	Auburn, Ala.	Walter G. Swann
1940	Talladega, Ala.	W. T. Camp	1955	West Point, Ga.	Dalton Gentry
			1955	Cullman, Ala.	P. C. Thomas

Directors

MRS. V. J. ELMORE
President
Birmingham, Alabama

W. F. RAINER
Chairman of the Board
Birmingham, Alabama

G. F. PARR
Vice President, Budgeting
Birmingham, Alabama

GRADY REYNOLDS
Reynolds & Reynolds Attorneys
Clanton, Alabama

JOHN W. POWERS, JR.
Vice President, Real Estate
Birmingham, Alabama

W. A. WILLIS, JR.
Secretary and Treasurer
Birmingham, Alabama

Officers

MRS. V. J. ELMORE	President
W. F. RAINER	Chairman of the Board
G. F. PARR	Vice President, Budgeting
JOHN W. POWERS, JR.	Vice President, Real Estate
W. A. WILLIS, JR.	Secretary and Treasurer
C. O. HESTER	Assistant Secretary and Merchandise Manager
R. N. HALES	Assistant Secretary and Sales Manager

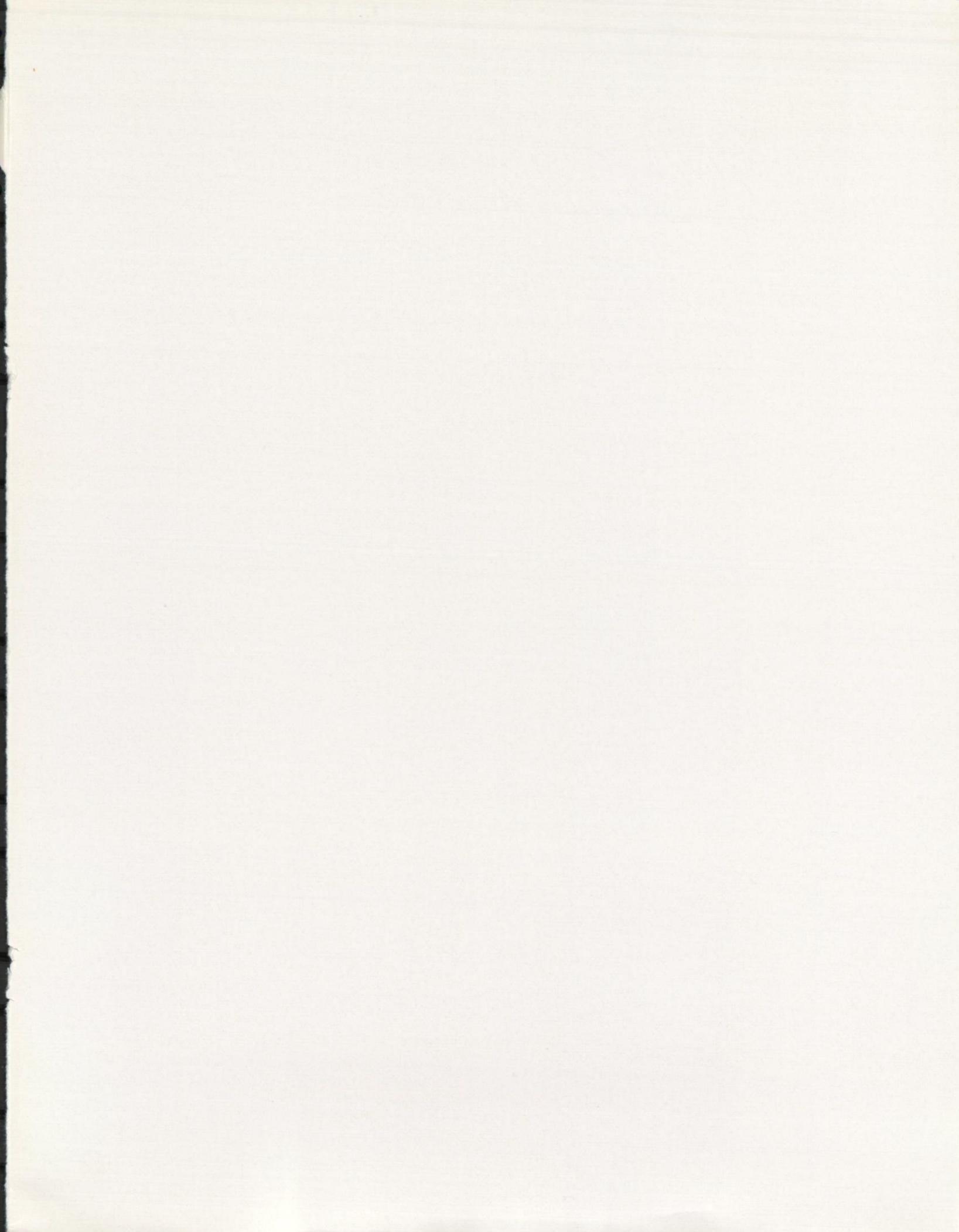
Other Executives

J. K. MCRAE, Supervisor
C. H. SWEATT, Supervisor
W. W. WHITTLE, Supervisor

L. T. CRENSHAW, Buyer
J. D. LIETCH, Buyer
J. D. ROBINSON, Buyer

C. A. McSPADDEN, Assistant Manager
Real Estate Department

T. C. CASADAY, Editor
Company Publication and
Service Department



1800. 1801. 1802. 1803.

1804. 1805. 1806. 1807.